

**Agency: Commerce, Community and Economic Development****Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Rural Alaska Community Action Program, Inc.****Federal Tax ID: 920033876****Project Title:****Project Type:** New Construction and Land Acquisition

# Rural Alaska Community Action Program, Inc. - Toksook Bay Early Learning Center

**State Funding Requested: \$800,000**  
One-Time Need**House District: 38 / S****Brief Project Description:**

Construction of a new Early Learning Center in Toksook Bay serving families with young children ages birth to five.

**Funding Plan:****Total Cost of Project: \$1,800,000**

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds			\$600,000	10		
State Funds					\$371,500	09
Rasmuson Foundation					\$25,000	10
Local Funds	\$3,500	10				
Total	\$3,500		\$600,000		\$396,500	

**Detailed Project Description and Justification:**

RurAL CAP proposes to build a 3500 sq. ft. Toksook Bay Early Learning Center which includes one classroom, one gross motor room, staff offices, a full service kitchen, and a family resource room. The Head Start and Parents as Teachers programs will be providing early childhood and family support services for 44 families in the new Early Learning Center. The Center will be built with the latest energy efficient technology to minimize heating fuel and electrical consumption. The community of Toksook Bay has identified a new early learning facility as one of the community's top priorities in their 2008 Toksook Bay Community Plan. Toksook Bay is a growing community and has been identified as a sub-regional hub. Head Start will provide age appropriate early childhood services to children ages three to five in a classroom environment four days a week. Parents as Teachers will provide weekly home visits and group socializations for families with children ages 0 to 3. The gross motor room will provide an indoor activity area to support children's physical development during the cold winter months. The gross motor room will also serve as a second classroom to support the growing population if needed. Parent meetings and parent trainings will be held in the new facility. The current Toksook Bay Head Start facility, provided as in kind by the City of Toksook Bay, was built over 35 years ago. The current facility is located in a run-off/drainage zone in the community resulting in the facility flooding each spring during break up. The entrance and exit stairways shift during freeze and thaw cycles and have to be reset each year. The facility is supported by post and beam construction over the top of wooden pads set on the tundra, typical of the era of construction. The building is built close to the grade, making it impossible to upgrade the flooring insulation, or adjust the foundation. Due to the low foundation, the

sewer pipes freeze and the pressurized sewer system has previously discharged waste material back into the building when a check valve failed down stream. The current electrical system does not meet code and the building is not ADA compliant. Due to annual flooding and moisture trapped in the facility, mold is a health risk for children and staff. The current facility has only one small office for a staff of seven. The City of Toksook Bay and the local native corporation have identified and issued a lease for the use of property located at a higher elevation in the community. The new property is flat and would be ideal for constructing a new early learning facility. The property is large enough to construct the new Early Learning Center and an outdoor play space to be used as weather permits.

**Project Timeline:**

Toksook Bay selected the design of RurAL CAP's Nunapitchuk Head Start Center, built in 2006, as their preferred design for the new Early Learning Center. This project will be completed by Jan 2012

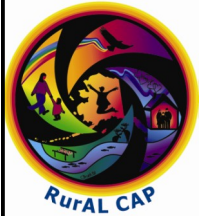
**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

Rural Alaska Community Action Program. Inc.

**Grant Recipient Contact Information:**

Name: Debi Baldwin  
Address: 731 E. 8th Avenue  
Anchorage, AK 99501  
Phone Number: (907)865-7317  
Email: dbaldwin@ruralcap.com

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No



# Rural Alaska Community Action Program, Inc.

P.O. Box 200908, Anchorage, AK 99520-0908

(907) 279-2511 ♦ Fax: (907) 278-2309

www.ruralcap.com

## Toksook Bay Head Start Center

### **Program Overview**

RurAL CAP offers both a Head Start and Parents as Teachers (PAT) program in Toksook Bay. **Head Start** is a comprehensive child development program serving low-income children and their families. RurAL CAP has operated Head Starts in rural Alaska since 1965. Head Start serves children ages three to five. The program promotes school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other related services. The program also helps parents make progress toward their own education, literacy and employment goals.

**PAT** is an early childhood parent education and family support program designed to empower parents to give their children the best possible start in life. Home visits and group socializations are offered to families. The PAT approach is to support all children so that they will learn, grow and develop to realize their full potential.

### **Building Usage**

Toksook Bay's Head Start program provides classroom services four days a week. Parent meetings are held in the evenings. Parents as Teachers provides group socializations for children and families. A staff of seven serve children and families.

### **Facility Description**

Building built..... 1967  
 Building (Total-Sq. Ft.) ..... 2,112  
 • Classroom (Sq. Ft.) ..... 1080  
 • Gross motor area..... None  
 • Playground ..... None  
 Foundation ..... Post/Beam

### **2009-2010 Student Enrollment**

	Head Start	Parents as Teachers
Total Children in program	20	24
English Language Learners	13	23
Special Needs (IEP)	0	2

### **Building Issues**

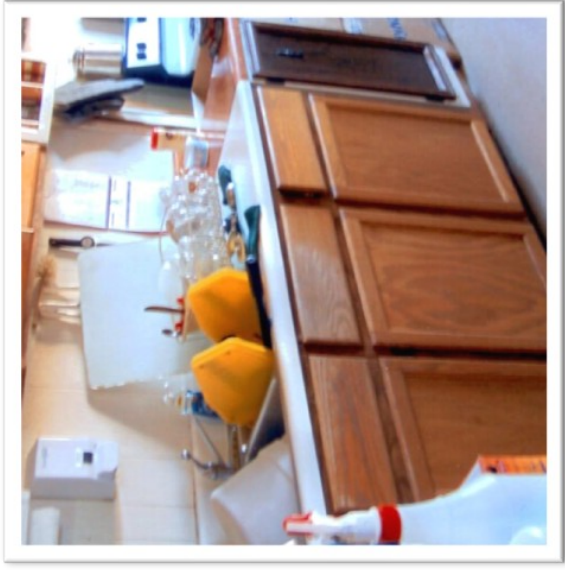
- Flooding due to location of building
- Foundation can not be adjusted
- Access and exit ramp repaired annually due to shifting of building
- Electric system does not meet new code requirements
- Substandard lighting
- Bathrooms and hallway are not ADA compliant
- Sewer system freezes
- Pressurized sewer system has backed up in building
- Inadequate space for staff
- Inadequate space for learning center
- Lack of space for family centered discussions
- Inadequate diapering area
- Lack of indoor gross motor room

### **Request**

- New Toksook Bay Early Learning Center
- Property has been identified
- Site control obtained
- Capital funds needed



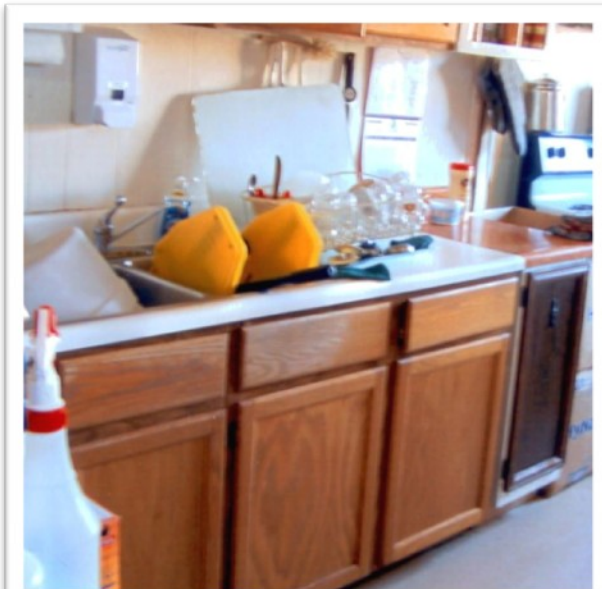
## Toksook Bay Head Start Center



Toksook Bay Head Start Building



Toksook Bay Head Start Building



Toksook Bay Head Start Building



## Toksook Bay Head Start Building



## Site Map



## **Toksook Bay Head Start Construction Budget**

Title Insurance	\$	3,800.00
Legal	\$	3,000.00
Advertising	\$	4,000.00
Travel	\$	12,000.00
Furnishings/ Equipment	\$	20,000.00
Project Manager	\$	50,000.00

### **Preconstruction Costs**

Foundation Design	\$	4,000.00
Geotech/Soils	\$	25,000.00
Surveyor	\$	5,000.00
Architect	\$	100,000.00
Contingency	\$	14,400.00

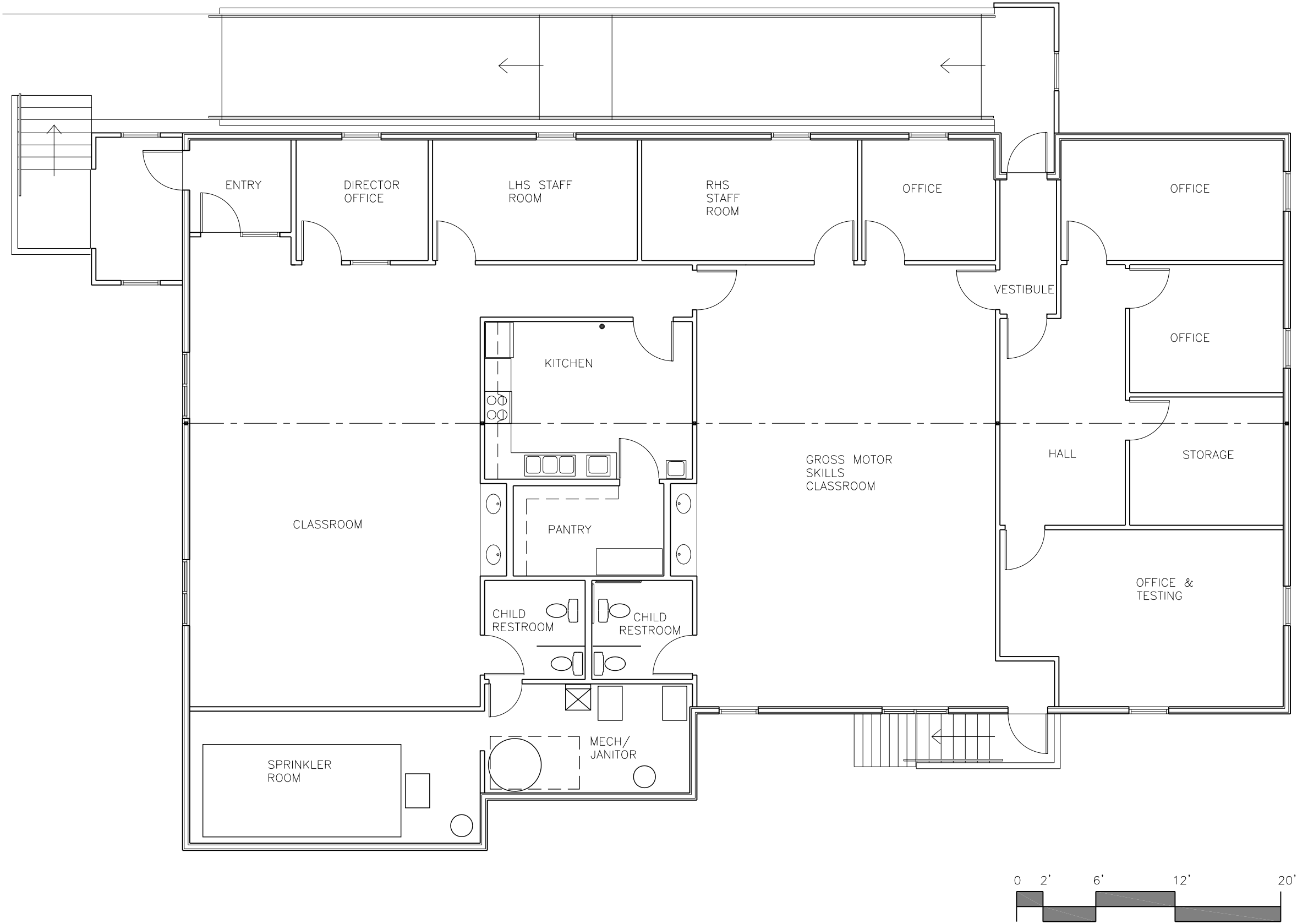
### **Construction Management**

A/E Foundation	\$	3,000.00
A/E Building	\$	20,000.00
Site Inspection	\$	15,000.00
Contingency	\$	4,800.00

### **Construction**

Foundation	\$	300,000.00
Inspections	\$	3,800.00
Fire Supression	\$	65,000.00
Building	\$	1,000,000.00
Contingency	\$	137,000.00

\$ 1,789,800.00



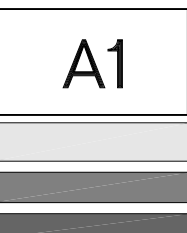
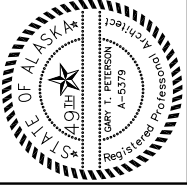
1 CONCEPT FLOOR PLAN

PRELIMINARY DESIGN - NOT FOR CONSTRUCTION

Drawing Title:  
CONCEPT  
FLOOR PLAN  
Project No. 2010-01  
Date: FEBRUARY 9, 2010  
Drawing File: 1001-A1  
Operator: GP JE

Project Name:  
**TOKSOOK BAY  
HEAD START**  
Toksook Bay, Alaska

**GPARCH**  
ARCHITECTS  
Gary Peterson & Associates, Inc.  
1225 E Intl. Airport Rd. Suite 210 Anchorage, AK 99518  
907.563.1942 907.561.6847 fax www.gparch.net



A1

2008

# Toksook Bay Community Plan



Prepared by Rural Alaska  
Community Action Program with  
support from the Denali Commission

## Youth Development

**Goal: Young people enjoy educational opportunities and programs for healthy activities that contribute to their becoming responsible adults.**

- Objective: Create a safe place for young people to go to
  - Activities:
    - Examine reopening the teen center
    - Encourage young adults to renovate building if possible
    - Create a new youth facility (similar to Boys & Girls club buildings) Youth facility gym full court with a weight room, classrooms (crafts, learning, tutor, computer, library), youth store, and a gymnastics/dancing area
    - Activities: Obtain funding from AVCP Inc., CVRF, Foraker Group, Rasmuson Foundation
- Objective: Encourage responsible behaviors in young people
  - Activities:
    - Discuss truancy and create penalties
    - Reach out to health agency and other agencies to discuss bad choices of experimenting with alcohol, drugs, and sex as well as young parenthood
- Objective: Enhance playground facilities
  - Activities:
    - Study what is lacking in old playground
    - Seek funding to build a new playground



Children at Seal Party



Boys riding bikes

- Objective: Providing quality care for young children and babies
  - Activities:
    - Open an early childhood or daycare center
    - Recruit foster parents



Kids playing

**INTERIM LEASE AGREEMENT**

**THIS INTERIM LEASE AGREEMENT** (the "Lease") is made and entered into and effective as of the 3 day of Dec, 2009, by and between the **CITY OF TOKSOOK BAY** (hereinafter "Lessee"), whose address is P.O. Box 37008, Toksook Bay, Alaska 99637, and **NUNAKAUYAK YUPIK CORPORATION**, an Alaska Native Village corporation (hereinafter "Lessor"), whose address is P.O. Box 37068, Toksook Bay, Alaska 99637.

**RECITALS**

**WHEREAS**, Lessor is the owner of the surface estate of certain real property in Toksook Bay, Alaska; and

**WHEREAS**, Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor the surface estate of real property for the purposes of constructing, operating, and maintaining a Toksook Bay Community Facility to serve the community of Toksook Bay; and

**WHEREAS**, The parties recognize that since the real property encompassed by this Lease will be used for community use such real property may eventually be reconveyed under the provisions of Section 14(c)(3) of the Alaska Natives Claims Settlement Act. This Lease includes specific language that will allow for the possible future conveyance of this real property should it be identified for ANCSA 14(c)(3) transfer; and

**WHEREAS**, the parties have agreed to the terms and conditions of the Lease;

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. **Demise; Description of Premises.** Lessee leases from Lessor the surface estate of the real property located in the Bethel Recording District, Fourth Judicial District, State of Alaska, which real property is more particularly described on the attached **Exhibit A** (the "Premises"). The rights granted under this Lease are subject to the exclusions, exceptions, reservations, restrictions, easements, rights-of-way, covenants, terms and conditions contained in the Interim Conveyance which transferred the real property subject to this Lease from the United States to Lessor, and to any subsequent patents which have been, or will be, issued to Lessor from the United States, including, without limitation, those under Section 14(c) of ANCSA. The rights granted under this Lease are also subject to all exceptions, agreements, easements, rights-of-way, conditions, covenants, reservations, terms, conditions, and restrictions of record against the real property.

The Lessor reserves the right to grant to others the rights and privileges to use the premises not specifically and exclusively granted to the Lessee. The rights and privileges granted to the Lessee in this Lease are the only rights and privileges granted to the Lessee by this Lease. The

Lessee has no easements, right to privileges, expressed or implied, other than those specifically granted by this Lease. Lessee shall not sell or remove for use elsewhere any of the surface resources of the Premises.

2. **Use of Premises.** Subject to the terms and conditions of this Lease, Lessee shall use the Premises for the purpose of constructing, operating and maintaining a Toksook Bay Community Facility, and for no other use.

3. **Term.** The term of this Lease shall be for thirty (30) years, commencing on the effective date of this Lease ("Term").

4. **Termination Upon ANSCA Conveyance.** The parties acknowledge and agree that the Premises shall be considered part of Lessee's ANSCA 14(c)(3) selection and in partial satisfaction of any of Lessee's claims thereunder. At such time as the Lessor conveys the title to the premises pursuant to Section 14(c)(3) of the Alaska Native Claims Settlement Act (ANSCA), the Lease shall terminate. Neither the Lessor nor the Lessee shall be entitled to compensation of any kind whatsoever due to termination of the Lease pursuant to this paragraph.

5. **Rental.** Lessee agrees to pay Lessor the following rental during the Term of this Lease, payable annually on January 1<sup>st</sup>: \$ 0.

6. **Utilities.** All costs for utilities and other activities necessary for the operation of the Premises, improvements thereon, and Lessee's activities thereon, including without limitation gas, heating oil, electric, water, sewer, snow removal, and telephone, shall be provided by Lessee at Lessee's sole cost and expense. Lessee shall be solely responsible, at Lessee's sole cost and expense, for necessary utility hook-ups and connection, including without limitation, those necessary for water and sewer. Lessor shall have no responsibility for providing any utilities or any utility hook-ups.

7. **Acceptance of Premises.** Lessee has inspected the Premises and Lessee accepts the same "AS IS WITH ALL FAULTS." Lessor makes no specific warranties, expressed or implied, concerning the title or condition of the Premises, including survey, access, utility availability, or suitability for use, including the use authorized by this Lease. Lessor shall have no liability or obligation with respect to the condition, maintenance or use of the Premises or any improvements now existing or hereinafter placed on the Premises.

8. **Indemnification.**

(a) **General.** Lessee shall save, protect, hold harmless, indemnify and defend Lessor, and Lessor's officers, directors, employees, and shareholders, of, from and against any and all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys fees, arising from any act, omission, or negligence of Lessee or the officers, contractors, subcontractors, licensees, agents, servants, employees, guests, invitees, or visitors of Lessee in or about the Premises or improvements located thereon, or arising from any accident, injury or damages howsoever and by whomsoever caused, to any person or property, including but

not limited to damage to the Premises itself, improvements thereon, or injury to or death of persons, occurring in or about the Premises or improvements located thereon, or in any manner arising out of Lessee's use and occupation of the Premises or improvements thereon, or as a result of the condition of the Premises or improvements thereon.

(b) **Environmental.** Lessee shall abide by, and shall cause its employees, agents, any contractors or subcontractors it employs, to abide by, all applicable rules and regulations related to fire, safety, health and environmental protection. Without limiting the duty to indemnify as provided in (a) above, Lessee shall save, protect, defend, indemnify and hold harmless Lessor from and against any and all demands, claims, causes of action (whether in the nature of an action for damages, indemnity, contribution, government cost recovery or otherwise), lawsuits, settlements, actions, damages, fines, penalties, judgments, costs and expenses (including without limitation costs of defense, settlement, and reasonable attorney's fees), charges, forfeitures, liens, liabilities or losses of any nature and kind whatsoever, which arise during or after the Term of this Lease from or in connection with the presence or suspected presence of Hazardous Substances in the soil, groundwater, or otherwise on, above or in the Premises, or otherwise generating from the Premises, or operations or activities thereon (i) as a result of Lessee (or its employees, affiliates, parents, agents, contractors, subcontractors, guests, invitees, or assigns, and their respective employees, agents, contractors, or subcontractors) use and occupancy of the Premises; or (ii) from any alleged or actual violation of an Environmental Law by such persons on the Premises. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal, or restoration work. For purposes of this Lease, the term "Hazardous Substance" means any flammables, explosives, radioactive materials, crude or refined petroleum, pollutants, contaminants, or any hazardous, toxic, or dangerous waste, substance, or material, including asbestos, defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C.A. Sec. 9601 *et. seq.*), any so-called "Superfund" or "Superlien" law, or any other Environmental Law, including, but not limited to, Alaska Statutes Title 46, Chapters .03, .08 and .09, as now or at any time hereafter in effect. For purposes of this Lease, the term "Environmental Law" means any Federal, state, or local laws, ordinances, codes, regulations, rules, orders, or decrees, relating to, or imposing liability or standards of conduct concerning the treatment, storage, use or disposal of any Hazardous Substances.

(c) All of the foregoing indemnification, defense and hold harmless obligations in (a) and (b) above shall survive the expiration or early termination of this Lease.

9. **Condemnation.** If all of the Premises or such portion as may be required for the reasonable use of the Premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the Premises, and all rent shall be paid which is due and owing through that date. In the case of a taking of less than that portion of the Premises required for the reasonable use of the Premises, then this Lease shall continue in full force and effect, and the rent shall be equitably reduced based upon the proportion of the square footage by which the Premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to just compensation and/or damage for any taking of the Premises, and Lessee hereby assigns to Lessor, and Lessee shall

make no claim against Lessor, for damages arising out of the condemnation, provided, Lessee shall have the right to claim and recover from the condemning authority, to the extent permitted by law, compensation for any loss to which Lessee may be put for the improvements, for Lessee's moving expenses or for the interruption of or damage to Lessee's business, to the extent such damages may be claimed and awarded separately from the damages and/or compensation awarded to Lessor.

**10. Use, Occupancy and Care of the Leased Premises.** At all times during the Term hereof, Lessee shall, at Lessee's sole cost and expense:

- (a) keep the Premises and improvements constructed thereon clean, safe and orderly;
- (b) conduct activities upon and generally maintain the Premises and improvements in such a manner and with such care that injury to persons and damage to property does not result therefrom;
- (c) not use or permit any part of the Premises or Improvements to be used for any unlawful or unauthorized purpose nor perform, permit or suffer any act or omission upon or about the Premises or improvements which would result in a nuisance or a violation of any applicable laws, ordinances or regulations;
- (d) comply with city, state, federal and other governmental laws, statutes, ordinances, rules, orders, and regulations of whatever type and nature, including but not limited to, zoning ordinances, health, fire, safety and environmental laws and regulations which in any manner affect the leased Premises, improvements, or activities thereon;
- (e) not cause or permit any waste, damage or injury to the Premises or improvements; and
- (f) not vacate or abandon the Premises at any time during the Term hereof.

**11. Maintenance and Repair.** Lessee covenants throughout the Term hereof, at Lessee's sole cost and expense, to properly keep the Premises and improvements in good maintenance, repair, order and condition. Lessee acknowledges that Lessor has no responsibility to maintain the Premises or improvements during the Term hereof.

**12. Fixtures, Equipment and Improvements.** The parties acknowledge and agree it shall be the Lessee's sole responsibility, at its sole cost, to obtain the necessary authorization and/or title to construct, use, remove, or operate said improvements. Lessee shall pay all costs associated with locating, constructing, and maintaining all improvements, equipment and fixtures on the Premises. Without limiting and in addition to the indemnification provision set forth in Section 8 above, Lessee agrees to indemnify, defend and hold Lessor harmless for any and all liability resulting from the construction, use, removal, operation or in any manner related to said improvements, equipment and fixtures regardless of whether such liability accrued prior to, during,

or after the termination of this Lease. Prior to or upon termination or expiration of this Lease, Lessee shall remove all improvements, equipment and fixtures from the Premises, provided that, Lessor and Lessee may otherwise mutually agree in writing that all improvements, equipment and fixtures erected on or attached to the Premises by Lessee shall become the property of Lessor. In such event, the parties agree that this Lease shall constitute a quitclaim, by Lessee to Lessor, of all Lessee's right, title, and interest in such improvements, equipment and fixtures upon such termination or expiration. Lessee further agrees, at the request of Lessor, to execute such other or further documents necessary to transfer Lessee's interest in the improvements, equipment or fixtures should Lessor retain the improvements, equipment and fixtures.

13. **Surrender of Premises.** Lessee on the last day of the Term, or upon earlier termination of this Lease, shall peaceably and quietly leave and surrender the Premises in as good condition as on commencement of the Term, ordinary wear and tear excepted.

14. **Access.** Lessor, Lessor's agents, employees, officers, and designees shall have the right to enter the Premises at all reasonable times to inspect the same, to post "Notices of Non-Responsibility", and to preserve and protect the Premises.

15. **Liens.** Lessee shall keep the Premises and any part thereof free from liens for labor or materials ordered or supplied upon the express or implied request of Lessee. Should any such lien be recorded or should a lien be recorded by Lessee, Lessee shall forthwith and within thirty (30) days of learning of such recording cause the same to be cancelled and discharged of record at Lessee's sole cost and expense.

16. **Taxes and Assessments.** Lessee shall be responsible for and shall pay promptly when due any and all general, special, real property, sales, personal property, and possessory interest taxes and assessments levied against the Premises and/or the improvements thereon.

17. **Holding Over.** If Lessee shall remain in possession of said Premises after the termination of this Lease or after the expiration of said Term without a proper extension or renewal of this Lease, Lessee shall be deemed to occupy the Premises as a Lessee from month-to-month at fair market rent.

18. **Insurance.** Lessee, at Lessee's own expense, shall provide liability insurance at a limit of at least \$1 million dollars, naming Lessor as an additional insured, and Lessee shall also be responsible for providing any needed property, hazard or fire insurance on the improvements constructed on the Premises, for Lessee's operations and activities thereon, and for vehicles, equipment, and workers compensation. Lessee acknowledges and agrees that Lessor is not providing and is not responsible for providing any of the foregoing insurance coverages, and Lessee waives any and all rights with respect to the same against Lessor.

19. **Notices.** Any and all notices required or permitted under this Lease, unless otherwise specified in writing by the party whose address is changed, shall be to the addresses set forth above.

**20. Default.**

A. The occurrence of one or more of the following events shall constitute a default and breach of this Lease by Lessee:

- (a) Violation or breach or failure to keep or perform any covenant, agreement, term or condition of this Lease which shall continue or not be remedied within ten (10) days (or if no default in payment of rent is involved within thirty (30) days) after notice thereof is given by Lessor to Lessee specifying the matter or matters claimed to be in default.
- (b) The taking possession of the property of Lessee by any governmental office or agency pursuant to statutory authority for the dissolution or liquidation of the Lessee.
- (c) An abandonment or vacation of the Premises by Lessee prior to the expiration of the Term of this Lease.
- (d) The use of the Premises for any purpose other than those specified in Section 2.
- (e) The transfer of title to the improvements located upon the Premises by foreclosure, sale, operation of law, gift or otherwise.

B. Upon the occurrence of a default as defined in "A" above, Lessor may at Lessor's option, declare Lessee's rights terminated and may re-enter the Premises and improvements, using such force as is necessary, and without further notice, remove all persons and property from the Premises and repossess Lessor of Lessor's former estate. In such case, Lessor shall be deemed to have an immediate right to possession of the Premises and improvements (if Lessor so desires) and Lessee shall peacefully surrender the same. No judicial action shall be necessary to effect such termination.

C. Such re-entry and termination notwithstanding, the liability of Lessee for payment of all amounts required to be paid by Lessee under this Lease, including payment of the full rental provided herein for what would otherwise have constituted the balance of the Term of this Lease shall not be extinguished and Lessee shall make good to Lessor the expenses and damages suffered by Lessor as a result of the default, repossession and reletting, including without limitation, legal expenses, renovation expense, alteration expense, and any rental deficiency resulting from the inability to relet the Premises or reletting at a lesser rate.

Lessor may, but shall not be obligated to, relet the Premises or any part thereof in the name of the Lessor, or otherwise, for such term (which may be greater or less than the period which would otherwise have constituted the balance of the Term of this Lease) and on such

conditions as Lessor may determine appropriate, and may collect and receive the rent therefrom; Lessor shall not be responsible or liable for any failure to relet the Premises, or any part thereof, or for any failure to collect any rent due upon any such reletting.

**D.** In the event of default, as defined in subparagraph A, Lessor shall have such further and additional rights as are provided by law or equity.

**21. Cure of Default by Lessor.** Lessor may, at the expense of Lessee, cure any default by Lessee hereunder, but shall not be required to do so. Lessee shall reimburse Lessor for all amounts expended in connection therewith, including attorney's fees and other incidental expenses. Such amounts, together with interest at the maximum lawful rate of interest, shall be deemed additional rent payable within thirty (30) days of notification that such amount is due.

**22. Attorneys' Fees, Costs and Expenses.** In the event either party brings or commences legal proceedings to enforce any of the terms of this Lease, the prevailing party in such action shall receive from the other, in every action commenced, including arbitration, a reasonable sum for actual attorneys' fees and costs to be fixed by the court in the same action.

**23. Rights and Remedies.** No right or remedy herein conferred upon or reserved to a party hereunder is intended to be exclusive of any other right or remedy, and such and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

**24. Assignment and Subletting.** Except as provided below, Lessee shall not sublet, mortgage, pledge or assign its rights under this Lease without the prior written consent of Lessor, which consent may be withheld in Lessor's sole and absolute discretion, and any purported sublease, mortgage, pledge or assignment without such consent shall be null and void and of no force or effect.

**25. Waiver and Forbearance.** No waiver by a party hereto of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver by the first party of its rights or remedies with respect to such breach.

**26. Successors in Interest.** This Lease shall be binding upon and inure to the benefit of the respective heirs, successors and permitted sublessees or assigns of the parties hereto.

**27. Applicable Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Alaska.

**28. No Partnership, Joint Venture, Etc.** Nothing in this Lease shall be intended or deemed to create a partnership, joint venture, association, or other similar relationship between the parties hereto.

29. **No Third Party Beneficiaries.** This Lease does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Lease. -----

30. **Severability.** If any provision of this Lease or any application thereof shall be held invalid, illegal or unenforceable, the remainder of this Lease or any other application of such provision shall not be affected thereby.

31. **Miscellaneous Provisions.**

(a) This Lease constitutes all of the agreements and conditions made between the parties and may not be modified orally or in any manner other than by an agreement in writing signed by both parties or their respective successors in interest.

(b) Each term and such provision of this Lease shall be construed to be both a covenant and a condition of this Lease.

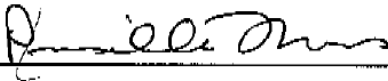
(c) Time is of the essence in each term and provision of this Lease.

(d) This Lease may be executed in any number of counterparts, including by facsimile signature, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the undersigned have caused this Interim Lease Agreement to be executed effective as of the date and year hereinabove first written.


**LESSEE:**

**CITY OF TOKSOOK BAY**

By:   
Its: Mayor

**LESSOR:**

**NUNAKAUYAK YURIK CORPORATION**

By:   
Its: President

**Exhibit A**

The Lessor agrees to lease to the Lessee the surface estate of the following real property which is located within Section 8, Township 5N, Range 90W, Seward Meridian, Alaska.

A portion of Block 3, US Survey 5024, the Toksook Bay Townsite and adjacent lands more particularly identified on the attached property plan.

The legal description may change to conform to a survey or surveys.

09 15:37 9074277811

P:

City of Toksook Bay  
P.O. Box 37008  
Toksook Bay, AK 99637  
Ph. (907) 427-7613

FOR THE MONTH OF:

November, 2009

Day November 10

Pius Agimuk	
Priscilla Moses	<i>Priscilla Moses</i>
Cecilia Cutter	
Katie Curtis	<i>Katie Curtis</i>
Lawrence John	
John Chagluak, Sr.	<i>John Chagluak Sr.</i>
Joseph Felix	<i>Joseph Felix</i>

Day November 10, 2009

Henry Simons	<i>Henry Simons</i>
Priscilla Moses	<i>Priscilla Moses</i>
Cecilia Cutter	<i>Cecilia Cutter</i>
Katie Curtis	<i>Katie Curtis</i>
Massa Sipary	<i>Massa Sipary</i>
John Chagluak, Sr.	<i>John Chagluak Sr.</i>
Joseph Felix	<i>Joseph Felix</i>

Day

Henry Simons	
Priscilla Moses	
Cecilia Cutter	
Katie Curtis	
Massa Sipary	
John Chagluak, Sr.	
Joseph Felix	

***CITY OF TOKSOOK BAY***  
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***Toksook Bay, Alaska 99637***  
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Regular city council meeting notes held on November 10<sup>th</sup>, 2009;

Meeting called to Order at 7:09 pm

Invocation: Joseph Felix

Present: Priscilla Moses, Cecelia Cutter, Massa Sipary, Henry Simons, Joseph Felix, Katie Cutis, and John Chagluak, Sr.

Topic of Agenda: Early Childhood Facility – CDBG grant application

The existing Headstart building is at least three decades old, and the condition of the building is beginning to be unsafe for our young children. The location of the existing building is not a good. Water forms around the building every spring due to its location in a lowland area. The building is also too close to other neighboring homes and has no outside playground. We know that our community wants new, safer facility for children to receive their early childhood education. Toksook Bay, with assistance from Rural CAP completed a community plan in 2008 at which time plans to build a new early childhood facility were discussed and prioritized. The type of early childhood facility that the city council would like to pursue for the development of the infrastructure is the design and floor plan that community of Nunapitchuk recently got. The floor plan of the design that the city council reviewed is acceptable.

Charlene Stern (RurALCAP) – Hello everyone, my name is Charlene Stern and I work as the Rural Planning Coordinator for RurAL CAP. I was asked to speak tonight to help Toksook Bay review the Community Development Block Grant program and discuss a proposed project for the 2009 granting cycle. The CDBG is a program that is funded by HUD and administered by the State of Alaska. The National Objectives of CDBG are to benefit low and moderate income people, prevent slums and blighted areas, and address urgent community development needs. The State priorities for CDBG include: health and safety issues, address public facility problems, combine and coordinate funds, and benefit low and moderate income persons. The 2009 deadline for CDBG applications is December 4<sup>th</sup>. For this granting cycle, the State of Alaska has a total of 2.7 million dollars to distribute. The maximum award per application is \$850,000 and communities are expected to provide and in-kind or cash match. Eligible entities are limited to incorporated cities and boroughs. CDBG funds can be used for different activities including community development projects, planning projects or special economic development projects. Are there any questions on the types of projects that CDBG can be used for?

*The group does not have any questions.*

Charlene continues – In the past as I'm sure you know, Toksook Bay successfully received and closed out two projects that used CDBG funds and those included the clinic and community hall. An example of a project that's currently needed in Toksook Bay is a new early childhood learning center. This project could be considered for the 2009 CDBG application because it was identified

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as a priority in the 2008 community plan and also because local residents have voiced ongoing health and safety concerns regarding the existing Head Start building. Local organizations have also demonstrated support for this project in many ways including pursuing a land swap whereby

the corporation has made land available to the city for the future center. In addition, the city has applied to the Environmental Protection Agency for assistance with an environmental assessment to make sure there are no contamination issues at the future site. At this time I would like to ask whether Toksook Bay would like to propose another project for the 2009 CDBG application?

Harry Tulik – There are no alternative proposals.

Charlene – If there are no alternative proposals, I ask those present at this meeting to approve submission of the 2009 CDBG application for the early childhood learning center.

Harry – The City Council approves submission of the CDBG application for the maximum grant amount to build a new early childhood learning facility.

Names of Council members favor

Pricilla Moses, Mayor  
Henry Simons, Vice Mayor  
Massa Sipary, Sec/Treasure  
Joseph Felix, Council member  
John Chagluak, Sr., Council member  
Cecelia Cutter, Council member  
Katie Curtis, Council member



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 10**

1200 Sixth Avenue, Suite 900  
Seattle, Washington 98101-3140

December 3, 2009

Harry Tulik  
City Administrator  
City of Toksook Bay  
P.O. Box 37008  
Toksook Bay, Alaska 99637

Dear Mr. Tulik:

The purpose of this letter is to officially inform you that EPA has approved your request to conduct a Targeted Brownfields Assessment (TBA) at the Old Airport Apron site in Toksook Bay, Alaska.

Under this TBA, we anticipate conducting Phase I and Phase II assessments. While it is very difficult to estimate the cost of these assessments, prior to visiting the site, I would estimate the value of this assessment to be approximately \$60,000 to \$85,000. Please remember that this is the cost of EPA's contractor services, this is not a grant so no money will be exchanged.

The next step is for EPA and our contractor to meet with you and other interested stakeholders to discuss the scope and schedule for the assessment as well as conduct a site visit. I anticipate that this will occur during the Spring of 2010.

We look forward to working with you on this project. If you have any questions, or need additional information, please do not hesitate to call me at (206)553-2594.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne LaBaw".

Joanne LaBaw  
TBA Coordinator

cc: Joey Billy, NVT Brownfield Response Program Coordinator  
Native Village of Tununak, AK

November 4, 2009

For: Rural Alaska Community Action Program  
My name is Johnathan Friend and I have been in and out of this village for a couple years. After getting to know the community for a little while I've noticed that there is two very important things kids and adults need in the village of Toksook Bay where me and my new family are living. Most importantly they strive for a new Head Start Building for the kids which I see myself as a very important role in a child's life skills. Time after time there are children that are being neglected due to the hardships of the drug-alcohol related incidents all off of their parents or relatives. It would help the village children walk out strong from their community if their community here has a program of some sort to keep them safe and other villages get the idea to do the same thing. I support the city of Toksook Bay's decision.

Sincerely, Johnathan Friend <sup>Parent</sup>  
<sub>Current Resident</sub>



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*Toksook Bay, Alaska 99637*  
*Ph. (907) 427-7613/7511 Fax (907) 427-7811*

April 28, 2010

Sean Parnell, Governor  
P.O. Box 10001  
Juneau, Alaska 99811-0001

Dear Governor Parnell:

The City of Toksook Bay would like to express our support for the three projects included in the FY11 Capital Budget. I would like to ask you please not to VETO the District 38 Capital Projects.

**Early Learning Center - \$800,000**

For the past 10 years, RuAL CAP and the City of Toksook Bay have successfully administered local early childhood services. The existing facility, which is 42 years old, does not meet current state or federal regulations for an appropriate and safe environment for young children. Seasonal freeze and thaw cycles have compromised the foundation and each spring flooding results in a pool of deep standing water which is a health and safety hazard. The building exhibits many deficiencies which would be costly to correct. The City of Toksook Bay, in partnership with RuAL CAP, is proposing to construct a new early learning center that would provide adequate space for class rooms, restrooms, staff offices, arctic entry, storage/pantry, a kitchen and gross motor (exercise) room. A significant amount of site and project planning have occurred to date thanks to the widespread support of local, regional, federal and state agencies.

**Dumpsite Improvements - \$225,000**

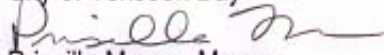
The dumpsite in Toksook Bay has been growing and out of control. Trash, metal, and hazardous materials are being dumped outside of the dumpsite. City of Toksook Bay is working with NTC IGAP department to improve the dumpsite, such as separating the metals, hazardous materials for ship out to recycle. Fix the fencing to keep loose trash from being blown out of the dumpsite. Put signs for direction and proper disposal of solid waste.

**Water and Sewer System Improvements - \$787,268**

Water and Sewer System Improvements in Toksook Bay is very important. It is very critically important to have better sanitation for our community, especially to make some homes that do not have water and sewer service lines, be honeybucket free and funds will help to make our goal.

Sincerely,

City of Toksook Bay

  
Priscilla Moses, Mayor

April 29, 2010

Sean Parnell, Governor  
PO Box 10001  
Juneau, Alaska 99811-0001

Dear Governor Parnell,

As a parent of a child participating in the Toksook Bay Head Start program, I am requesting that you do not veto the Rural Alaska Community Action Program's (RurAL CAP) FY11 capital project which will support the construction of a new Early Learning Center in Toksook Bay.

Our program promotes school readiness by enhancing the social, emotional and cognitive development of children. It helps me, as a parent, to better understand my child's development and links me with resources that support my goals for my family. It also encourages a better understanding of my child's health needs and the importance of obtaining ongoing medical care for my child.

The current building is more than 45 years old and presents many challenges to the program. The area around the building floods annually due to the location of the building; it lacks adequate space for family discussions and classrooms; and has a sewer system which regularly freezes. These conditions compromise the learning environment and impact the health & safety of our children, families and staff.

As a parent, the importance of a high quality early care and learning program can not be overstated. Knowing that my child is in a safe, caring learning environment which prepares my child for school is important to me. Again, I kindly ask that you not veto this capital project.

Sincerely,

*Ben Chukto*  
Stella Max  
Angela Chukto  
*[Signature]*  
Travis Mark  
myu 877  
*[Signature]*  
*[Signature]*  
Debbie Gills  
Ernie Chonaa

*[Signature]*  
Dorothy Alt  
Beverly Woods  
m. cella white  
*[Signature]*  
*[Signature]*  
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**City of Toksook Bay  
P.O. Box 37008  
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February 11, 2009

Representative Bob Herron  
State Capitol, Rm 411  
Juneau, Ak 99801

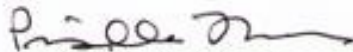
Dear Representative:

As the Mayor of Toksook Bay, I support the construction of a new early childhood learning facility for the community of Toksook Bay. It is evident that Toksook Bay could greatly benefit from the proposed facility. The current Head Start facility is in serious need of upgrade, expansion and relocation. The area surrounding the building floods every spring posing a serious danger to the children ages 3-5 who are enrolled in Head Start. Development of a new facility is a top priority by the community, according to the 2008 Toksook Bay Community Plan.

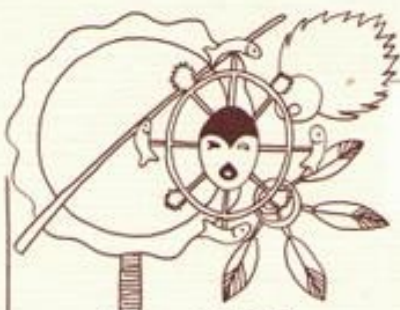
The proposed site is centrally located on higher ground (on the former airstrip) and the City of Toksook Bay and the Village Corporation have already worked out a site control agreement. The Nelson Island Consortium helped Toksook Bay apply to the Environmental Protection Agency for assistance with an environmental review of the site.

The community of Toksook Bay is a growing community and a new early childhood learning facility would greatly benefit current and future students. We hope you will support this important timely project.

Sincerely,



Priscilla Moses, Mayor  
City of Toksook Bay



## Nunakauyak Traditional Council

February 11, 2010

Representative Bob Herron  
State Capitol, Rm. 411  
Juneau, AK 99801

Dear Representative Herron:

The Nunakauyak Traditional Council is pleased to support the City of Toksook Bay's plan for a new early childhood learning facility. Toksook Bay, in partnership with the Rural Alaska Community Action Program (RurAL CAP) has successfully provided affordable childcare services to low income families for several years. The current building is 42 years old, in disrepair, and is too small to accommodate the local demand for early childhood services. The area surrounding the building floods each spring posing significant danger to the students, which range in age from 0-5.

The residents of Toksook Bay identified a new early childhood center as a priority in their 2008 Community Plan. The proposed project has wide-spread support of local, regional, and governmental agencies. The site is centrally located on higher ground (on the former airstrip) and the City of Toksook Bay and the Village Corporation have already worked out a site control agreement. The Nelson Island Consortium helped Toksook Bay apply to the Environmental Protection Agency for assistance with an environmental review of the site.

We recognize that the community of Toksook Bay would greatly benefit from a new early childhood learning facility. We welcome the City taking a lead on this project and as a partner, we commit to continuing to support this effort.

Sincerely,

Simeon John  
Tribal Council President